

August 26, 2015

National Credit Union Administration
1775 Duke St.
Board Secretary
Alexandria, VA 22314

RE: Comments on Proposed Rulemaking for Part 723; RIN 3133-AE37

Dear Gerard Poliquin,

On behalf of Houston Highway Credit Union, and our membership, we thank you for the proposed member business lending rule. It's very important that credit unions have the opportunity to comment on all proposals/rules that are introduced. Credit unions are truly delighted in the efforts that the National Credit Union Administration has made to decrease our regulatory burden!

Many of the changes being made to the member business lending rule are positive. As an industry advocate, we appreciate the change from the current prescriptive approach to a more principle-based methodology. On top of that, eliminating all prescriptive requirements necessitating waivers will surely give credit unions much needed regulatory relief. Our support continues with the new definition of a commercial loan. This will help define those loans subject to the member business lending cap and commercial loans that invoke the safety and soundness provisions.

At Houston Highway CU, we sit at 62 million in assets. Being a smaller financial institution makes it difficult, and quite expensive, for us to get involved with member business lending. It's extremely unfortunate because we have such a high amount of small businesses within The Greater Heights Area of Houston. The current 12.25% cap is too small, and the proposed rule cap (which is in better conformity with statutory language) still doesn't create an increase. I understand that this rule can't increase the cap, but we need to continue pressing to make this change in legislation. Our members will benefit and smaller credit unions will have the opportunity to grow; granted the expertise of the NCUA and the credit union are in alignment.

Again, Houston Highway Credit Union commends the continued efforts in decreasing regulatory burdens and allowing us to comment during these periods. Many of the rule changes will benefit this industry, but this rule still needs a raise in its cap.

Sincerely,

Austin McCafferty
Special Projects and Research Manager
Houston Highway CU

cc: CUNA, CCUL